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Contacts: Joe Pouliot (Boehlert), 202-225-0581
Tara McGuinness (Markey), 202-225-2836

BOEHLERT, MARKEY LEAD BIPARTISAN EFFORT TO COMBAT RISING FUEL PRICES WITH INTRODUCTION OF LEGISLATION TO INCREASE FUEL ECONOMY STANDARDS

WASHINGTON, D.C. – At a press conference this morning, a bipartisan coalition of 16 House Members announced that they have introduced legislation that will help provide consumers relief from ever-rising fuel prices by increasing fuel economy standards for the cars, sport utility vehicles (SUVs), minivans and pickup trucks that are sold in the United States.

Citing skyrocketing gas prices and a nationwide energy crunch that has been exacerbated by Hurricane Katrina, the Members – led by **Science Committee Chairman Sherwood Boehlert** (R-NY) and **Representative Ed Markey** (D-MA), a senior Member of the House Energy and Commerce Committee – said they had introduced legislation that would raise Corporate Average Fuel Economy (CAFE) standards in an effort to reduce U.S. dependence on foreign oil. Reducing demand, the Members said, will strengthen U.S. economic and national security.

The original cosponsors of the Boehlert-Markey bill include Representatives **Todd Platts** (R-PA), **John Lewis** (D-GA), **Mark Kirk** (R-IL), **Robert Menendez** (D-NJ), **Wayne Gilchrest** (R-MD), **Anna Eshoo** (D-CA), **Chris Shays** (R-CT), **Brad Miller** (D-NC), **Jim Leach** (R-IA), **John Olver** (D-MA), **Jim Gerlach** (R-PA), **Dennis Cardoza** (D-CA), **Nancy Johnson** (R-CT), **Hilda Solis** (D-CA), **Roscoe Bartlett** (R-MD), and **Ray LaHood** (R-IL).

Chairman Boehlert said, “Without a doubt, the biggest beneficiaries of this bill will be the American consumers. They are sick and tired of paying skyrocketing prices for gasoline. They want relief. This bill will provide it.” **He added**, “The legislation will also strengthen our national security. Our unbridled consumption of gasoline has made us dangerously dependent on foreign – and sometimes hostile – governments to meet our nation’s oil needs. This bill, more so than any provision in the recently-enacted energy bill, will lessen that dependence.”

“In the wake of Hurricane Katrina, which has resulted in even higher gas prices than Americans had been forced to endure in the past few months, the President has done nothing to ease consumers’ pain at the pumps,” **said Rep. Markey**. “Instead of telling drivers to drive less and providing even more subsidies and environmental waivers to Big Oil, why can’t we simply make the cars being driven consume less gasoline?”

According to a 2002 National Academy of Sciences (NAS) study, technologies exist today that can allow cars and trucks to go much farther on a gallon of gasoline – without sacrificing today’s features or safety. And because the NAS report didn’t even consider new technologies such as hybrids and clean diesel engines, the potential for increasing fuel economy is even greater. The legislation that was introduced today would direct the Secretary of Transportation to raise CAFE standards from the current level of 25 miles per gallon (mpg) to 33 mpg over the next 10 years. By 2025, this move would save 2.6 million barrels of oil each day.

At a February 9, 2005 Science Committee hearing, a witness representing the Alliance of Automobile Manufacturers testified that automakers could improve fuel efficiency in a meaningful way without compromising safety. (Automakers recently signed a voluntary agreement with Canada on greenhouse gas emissions that effectively raises fuel efficiency by 25 percent for vehicles sold in that country.)

The potential savings the bill would offer consumers are enormous. Buyers of large SUVs and pickup trucks would save \$2,000 in fuel costs over the life of the vehicle, even after paying the additional costs of the new technologies. Families buying minivans would save over \$1,000. And these savings were calculated assuming gasoline cost \$2 per gallon. At today's prices, the savings would even greater.

The bill would allow the Secretary of Transportation to establish separate standards for different size vehicles, as long as the overall average of the fleet is at least 33 mpg. This would allow the Secretary to implement a size-based system similar to the Administration's proposal for reforming light-truck fuel economy standards. The Secretary would also be authorized to establish a credit trading program between manufacturers. This was recommended by the National Commission on Energy Policy, and is widely recognized as a way to reduce the costs of compliance.

Rep. Leach said, "Raising the miles-per-gallon standard is the greatest no-brainer issue in Congress. Domestically, it is the most logical way to counter high gasoline prices and constrain environmental degradation. Internationally, American national security requires that we reduce petroleum usage. It is costly to defend the seaways, and because dependence on foreign oil jeopardizes our sovereignty, it makes recourse to war too tenable."

"Our country urgently needs a long-term energy policy that will end our nation's dependence on foreign oil and reduce our risk to shocks such as hurricanes and other disasters. Increasing fuel efficiency standards must be a crucial component of that strategy," **Rep. Menendez said**.

Rep. Bartlett added, "Studies have proven that CAFE standards increase mileage traveled on a per capita basis, but reduce overall gasoline consumption."

"Anyone who has visited a gas pump lately should know how important it is that we reduce our dependence on foreign oil," **stated Rep. Miller**. "And the concern by scientists that climate change will increase the frequency and strength of hurricanes like Katrina should remind us how important it is to reduce automobile emissions for environmental reasons. We have to require improved fuel efficiency and we need to make a national commitment to renewable energy sources."

Rep. Shays said, "We, as a nation, need to make the decision to share the burden of managing our energy crisis. Raising CAFE standards for automobiles and light trucks is one of the most significant steps we can take as a nation to reduce our dependence on foreign oil, improve our national security, and protect our environment and economy."

"It is time for Congress to take real action to reduce the cost of gasoline to the consumer, cut our dependency on foreign oil and improve national security. I am proud to be a cosponsor of this legislation which will, in a cost-effective manner, achieve all three. Congress owes this to America's businesses, consumers, and future generations," said **Rep. Solis**.

"By setting a fair and higher standard for fuel economy in our automobiles, we benefit American consumers by increasing their financial freedom," **stated Rep. Gilchrest**. "Through this approach, we also join with all Americans in making a more direct and meaningful contribution to the nation's energy security and independence than can be provided through other policy tools. With the US using a quarter of the world's

annual supply of oil and owning about three percent, and as our need for transportation fuels increases, we can clearly make greater strides toward these goals by driving more fuel efficient vehicles.

“This is not rocket science. If the power of American invention was great enough to put a man on the moon, surely we can build a more fuel efficient car by 2015,” **Rep. Markey added.** “New standards are bigger than an inconvenience to the auto industry, improving the fuel economy of our cars is a powerful way to address our national addiction to foreign oil.”

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